

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter, on the Commission's own motion,)	
regarding the regulatory reviews, revisions,)	
determinations, and/or approvals necessary for)	Case No. U-18331
CONSUMERS ENERGY COMPANY to fully)	
comply with Public Act 295 of 2008.)	
_____)	

At the December 20, 2017 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Sally A. Talberg, Chairman
Hon. Norman J. Saari, Commissioner
Hon. Rachael A. Eubanks, Commissioner

ORDER APPROVING AMENDED SETTLEMENT AGREEMENT

On May 31, 2017, Consumers Energy Company (Consumers) filed an application, with supporting testimony and exhibits, requesting authority to reconcile its 2016 energy optimization plan (EOP) revenues and expenses and requesting approval of the collection of an incentive payment for both the gas and electric EOPs.

A prehearing conference was held on July 12, 2017, before Administrative Law Judge Suzanne D. Sonneborn. Consumers and the Commission Staff (Staff) participated in the proceeding. Subsequently, Consumers and the Staff submitted a settlement agreement resolving all issues in the case. On September 28, 2017, the Commission issued an order approving the settlement agreement.

On December 7, 2017, Consumers and the Staff filed a joint request for approval to amend the settlement agreement for the limited purpose of revising the proposed tariff sheets in Attachment C to the settlement agreement. The joint request states that Consumers and the Staff discovered that the surcharges indicated in the tariff sheets attached as Attachment C to the settlement agreement inadvertently did not include the 2017 incremental energy waste reduction (EWR) investments that the Commission approved in its July 31, 2017 order in Case No. U-17771. Thus to reflect surcharges that appropriately include the incremental EWR investments authorized in Case No. U-17771, the parties request that the Commission approve the revised Attachment C, attached as Exhibit A to this order.

The Commission finds that the proposed amendment to Attachment C of the settlement agreement is reasonable and in the public interest, and should be approved.

THEREFORE, IT IS ORDERED that:

- A. The revised Attachment C to the settlement agreement, attached as Exhibit A, is approved.
- B. Within 10 days of the date of this order, Consumers Energy Company shall file tariff sheets substantially similar to those contained in the revised Attachment C to the settlement agreement.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so by the filing of a claim of appeal in the Michigan Court of Appeals within 30 days of the issuance of this order, under MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel. Electronic notifications should be sent to the Executive Secretary at mpscdockets@michigan.gov and to the Michigan Department of the Attorney General - Public Service Division at pungp1@michigan.gov. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

Sally A. Talberg, Chairman

Norman J. Saari, Commissioner

Rachael A. Eubanks, Commissioner

By its action of December 20, 2017.

Kavita Kale, Executive Secretary

M.P.S.C. No. 13 - Electric
Consumers Energy Company

Sheet No. D-2.10

SURCHARGES

Rate Schedule	Renewable Energy Plan Surcharge (Case No. U-17301) Effective beginning the July 2014 Billing Month⁽⁵⁾	Energy Efficiency Program Surcharge (Case No. U-18331) Effective beginning the January 2018 Billing Month⁽³⁾	Energy Efficiency Self-Directed Customer Surcharge (Case No. U-17771) Effective beginning the January 2016 Billing Month⁽²⁾
Residential Rates	\$ 0.00/billing meter	\$0.002894 0.002922/kWh	NA
Rate GS, GSTU, and GSD ⁽¹⁾			
Tier 1: 0 – 1,250 kWh/mo.	\$ 0.00/billing meter	\$ 1.60 2.48/billing meter	\$ 0.06/billing meter
Tier 2: 1,251 – 5,000 kWh/mo.	0.00/billing meter	9.09 14.04/billing meter	0.34/billing meter
Tier 3: 5,001 – 30,000 kWh/mo.	0.00/billing meter	55.40 85.83/billing meter	2.04/billing meter
Tier 4: 30,001 – 50,000 kWh/mo.	0.00/billing meter	55.40 85.83/billing meter	2.04/billing meter
Tier 5: > 50,000 kWh/mo.	0.00/billing meter	55.40 85.83/billing meter	2.04/billing meter
Rate GP, GPD, GPTU and EIP ⁽¹⁾			
Tier 1: 0 – 5,000 kWh/mo.	\$ 0.00/billing meter	\$ 3.38 5.20/billing meter	\$ 0.12/billing meter
Tier 2: 5,001 – 10,000 kWh/mo.	0.00/billing meter	26.42 40.42/billing meter	0.97/billing meter
Tier 3: 10,001 – 30,000 kWh/mo.	0.00/billing meter	68.72 104.95/billing meter	2.55/billing meter
Tier 4: 30,001 – 50,000 kWh/mo.	0.00/billing meter	123.98 192.98/billing meter	4.51/billing meter
Tier 5: > 50,000 kWh/mo.	0.00/billing meter	661.24 1,027.37/billing meter	22.76/billing meter
Rate GSG-2	NA	NA ⁽⁴⁾	NA
Rate GML ⁽⁶⁾			
Tier 1: 0 – 1,250 kWh/mo.	\$ 0.00/billing meter	NA	NA
Tier 2: 1,251 – 5,000 kWh/mo.	0.00/billing meter	NA	NA
Tier 3: > 5,000 kWh/mo.	0.00/billing meter	NA	NA
Rate GUL ⁽⁶⁾	0.00/luminaire	NA	NA
Rate GU-XL ⁽⁶⁾	0.00/luminaire	NA	NA
Rate GU			
Tier 1: 0 – 1,250 kWh/mo.	0.00/billed account	NA	NA
Tier 2: 1,251 – 5,000 kWh/mo.	0.00/billed account	NA	NA
Tier 3: > 5,000 kWh/mo.	0.00/billed account	NA	NA
Rate PA	NA	NA	NA
Rate ROA-R, ROA-S, ROA-P	NA	As in Delivery Rate Schedule	As in Delivery Rate Schedule

All Surcharges shall be applied on a monthly basis. The customer's consumption will be reviewed annually in the January bill month. Following the annual review, the customer may be subsequently moved to the Surcharge level for their applicable rate for the next billing period based on the customer's average consumption for the previous year. In situations where no historical consumption is available, the monthly Surcharge level will be based on the lowest consumption category for the secondary rate schedules or the lowest consumption category for primary rate schedules. No retroactive adjustment will be made due to the application of the REP or EE Surcharges associated with increases or decreases in consumption.

⁽¹⁾Municipal Pumping customers shall be excluded from the Renewable Energy Plan Surcharge.

⁽²⁾An eligible customer who files and implements a self-directed plan in compliance with Rule C12 is required to pay the Energy Efficiency Self-Directed Program Surcharge.

⁽³⁾An Energy Efficiency Program Surcharge will be in effect for the period of the June 2009 Bill Month through the December 2018 Bill Month. The amount may vary during specific months as authorized by the Michigan Public Service Commission. Applicable cases include Case Nos. U-15805, U-16302, U-16303, U-16412, U-16670, U-16736, U-17281, U-17351, U-17601, U-17831, U-17771, U-18025 and U-18331. The Company will file a new tariff sheet to reflect the change in surcharges once the financial incentive recovery period has been completed.

⁽⁴⁾Rate GSG-2 Customers are eligible to opt-in to the Energy Efficiency Electric Program Surcharge. A GSG-2 customer electing to participate in the Energy Efficiency Electric Program will be charged the GPD, Tier 5: > 50,000 kWh/mo rate per billing meter per month.

⁽⁵⁾A Renewable Energy Plan Surcharge will be in effect for the period of the September 2009 Bill Month through the August 2029 Bill Month. The amount may vary during specific months as authorized by the Michigan Public Service Commission. Applicable cases include Case Nos. U-15805, U-16543, U-16581 and U-17301.

⁽⁶⁾Customer-Owned lighting fixtures served on Rate GML, GUL and Rate GU-XL are eligible to opt-in to the Energy Efficiency Program Surcharge. A GML, GUL or GU-XL customer electing to participate in the Energy Efficiency Electric Program will be charged the applicable surcharge as shown for Rate GS, GSTU, and GSD or Rate GP, GPD, GPTU and EIP, as applicable, per participating account per month.

Issued XXXX XX, XXXX by
Patti Poppe,
President and Chief Executive Officer,
Jackson, Michigan

Effective for bills rendered on and after
the Company's January 2018 Billing Month

Issued under authority of the
Michigan Public Service Commission
dated XXXX XX, XXXX
in Case No. U-18331

M.P.S.C. No. 2 - Gas
Consumers Energy Company

Sheet No. D-1.10

SURCHARGES

Each Rate Schedule may be subject to Rule No. C8., Customer Attachment Program.

Rate Schedule	Energy Efficiency⁽¹⁾ Program Surcharge (Case No. U-18331) Effective beginning the⁽²⁾ <u>January 2018 Billing Month</u>	Energy Efficiency Large Gas Transportation Opt-Out Pilot Program Surcharge (Case No. U-16670)⁽³⁾
Rate A	\$0.2009 <u>0.2157</u> /Mcf	NA
Rate A-1	0.2009 <u>0.2157</u> /Mcf	NA
Rate GS-1	0.1513 <u>0.2155</u> /Mcf	NA
Rate GS-2	0.1513 <u>0.2155</u> /Mcf	NA
Rate GS-3		
0 – 100,000 / Year	0.1513 <u>0.2155</u> /Mcf	NA
> 100,000 / Year	0.0048 <u>0.0070</u> /Mcf	NA
Rate GL	NA	NA
Rate ST		
0 – 100,000 / Year	0.1513 <u>0.2155</u> /Mcf	NA
> 100,000 / Year	0.0048 <u>0.0070</u> /Mcf	\$0.0018/Mcf
Rate LT		
0 – 100,000 / Year	0.1513 <u>0.2155</u> /Mcf	NA
> 100,000 / Year	0.0048 <u>0.0070</u> /Mcf	0.0018/Mcf
Rate XLT		
0 – 100,000 / Year	0.1513 <u>0.2155</u> /Mcf	NA
> 100,000 / Year	0.0048 <u>0.0070</u> /Mcf	0.0018/Mcf
Rate CC	Per applicable distribution Rate Schedule	NA

⁽¹⁾ All surcharges shall be applied on a monthly basis. The customer's consumption will be reviewed annually in the January bill month. Following the annual review, the customer may be subsequently moved to the surcharge level for their applicable rate for the next billing period based on the customer's average consumption for the previous year. No retroactive adjustment will be made due to the application of EE surcharges associated with increases or decreases in consumption.

⁽²⁾ An Energy Efficiency Program Surcharge will be in effect for the period of the June 2009 Bill Month through the December 2018 Bill Month. The amount may vary during specific months as authorized by the Michigan Public Service Commission. Applicable cases include Case Nos. U-15889, U-16302, U-16303, U-16412, U-16770, U-16736, U-17281, U-17351, U-17601, U-17831, U-17771, U-18025 and U-18331. The Company will file a new tariff sheet to reflect the change in surcharges once the financial incentive recovery period has been completed.

⁽³⁾ Gas Transportation customers on Rate ST, LT or XLT using more than 100,000 Mcf per year may be eligible to opt-out of the Energy Efficiency program. Eligible customers who elect to opt-out of the Energy Efficiency program will pay the Energy Efficiency Large Gas Transportation Opt-Out Pilot Program surcharge per Mcf on a monthly basis. Eligibility is determined solely by the Company and is dependent upon terms and conditions of the Energy Efficiency Large Gas Transportation Customer Opt-Out Pilot Program as authorized in the April 17, 2012 order in Case No. U-16670.

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